

PERMANENT FUND DIVIDEND DIVISION

ANNUAL REPORT 2021

State of Alaska, Department of Revenue



Auke Lake
Taken by PFD Staff

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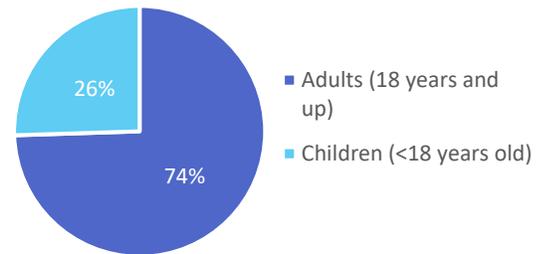
DIVIDEND SUMMARY

The 2021 Permanent Fund Dividend (PFD) amount was **\$1,114.00** for each of the **628,053** qualified applicants, totaling a distribution of roughly **\$699,651,042** by the end of the calendar year.

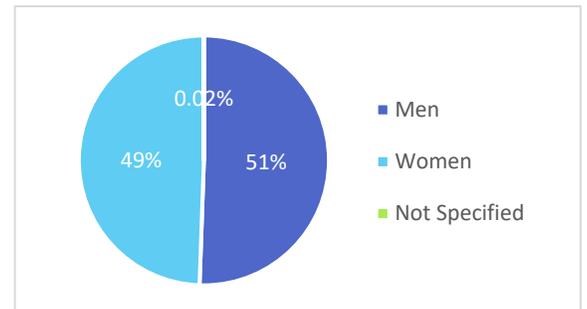
DIVIDEND OVERVIEW

In 2021, the Division received 674,598 total PFD applications. This number includes all valid, invalid, duplicate, and withdrawn applications for prior year dividends, and applications submitted solely to establish sponsor eligibility. By removing all invalid, duplicate, and withdrawn applications the Division had received 668,054 valid applications.

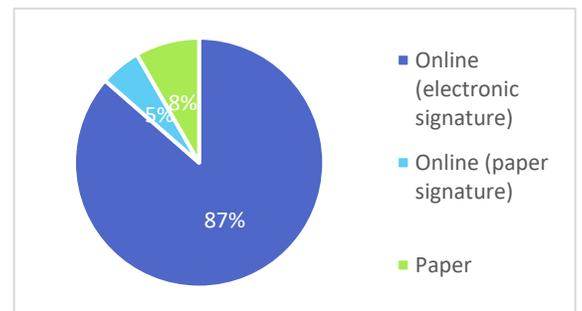
Applicants by Age (valid 2021 dividend only)		
Group	Filed	%
Adults (18 years and up)	497,675	74.50%
Children (<18 years old)	170,379	25.50%
Total	668,054	100.00%



Applicants by Gender (valid 2021 dividend only)		
Group	Filed	%
Men	337,732	50.55%
Women	330,201	49.43%
Not Specified	121	0.02%
Total	668,054	100.00%



Applicants by Filing Method (valid 2021 dividend only)		
Method	Filed	%
Online (electronic signature)	577,398	86.43%
Online (paper signature)	35,185	5.27%
Paper	55,471	8.30%
Total	668,054	100.00%



DIVIDEND SUMMARY

DIVIDEND CALCULATION

In 2021, the dividend amount was determined by the Legislature. Estimated applicant numbers are used because eligibility determinations have not been completed for all applications at the time the funds are requested and transferred from the Alaska Permanent Fund Corporation. Applications will continue to be determined as payable after continued manual processing. Lastly, some application types have filing due dates extended until March 31, 2022, such as the estate and disabled applications.

Amount Available for Dividends

PFD Fund Balance as of September 17, 2021	\$9,928,095.19	
Expenditures from July 1 through Sept. 17, 2021	\$2,955,705.73	
PFD Fund Balance as of July 1, 2021		\$ 12,883,800.92
Transfer from Permanent Fund Corporation		
Permanent Fund Earnings (5-year average)	\$739,038,500.00	
Less Appropriations (<i>see below</i>)	\$(35,216,900.00)	
Net Transfer from Permanent Fund Corporation		\$703,821,600.00
Reductions (<i>see below</i>)		\$ (397,934.85)
Total Amount Available for Dividends		\$716,307,466.07

Total estimated number of eligible applicants: **643,004**

Appropriations and Reductions Detail

Appropriations

Department of Health and Social Services

Hold-Harmless Provision for Public Assistance		
Total Department of Health and Social Services	<u>\$17,724,700.00</u>	\$17,724,700.00

Department of Corrections

Physical Health Care	\$ 7,871,100.00	
Public Safety Council on Domestic Violence	\$ 93,700.00	
Office of Victim's Rights	<u>\$374,800.00</u>	
Total Department of Corrections		\$8,339,600.00

Department of Revenue, PFD Division

Administrative Cost	<u>\$8,121,800.00</u>	
Total Department of Revenue, PFD Division		\$8,121,800.00

Department of Administration

Violent Crimes Compensation Board	\$ 937,100.00	
Behavioral Health	<u>\$ 93,700.00</u>	
Total Department of Administration		\$1,030,800.00

Total Appropriations **\$35,216,900.00**

Reductions

Reserve for Prior Year Dividend Liabilities	\$162,035.57	
Reserve for 18-Year-Old Applications for Prior Years	\$235,899.28	
Reserve for Resource Rebate Payments	\$ 0.00	

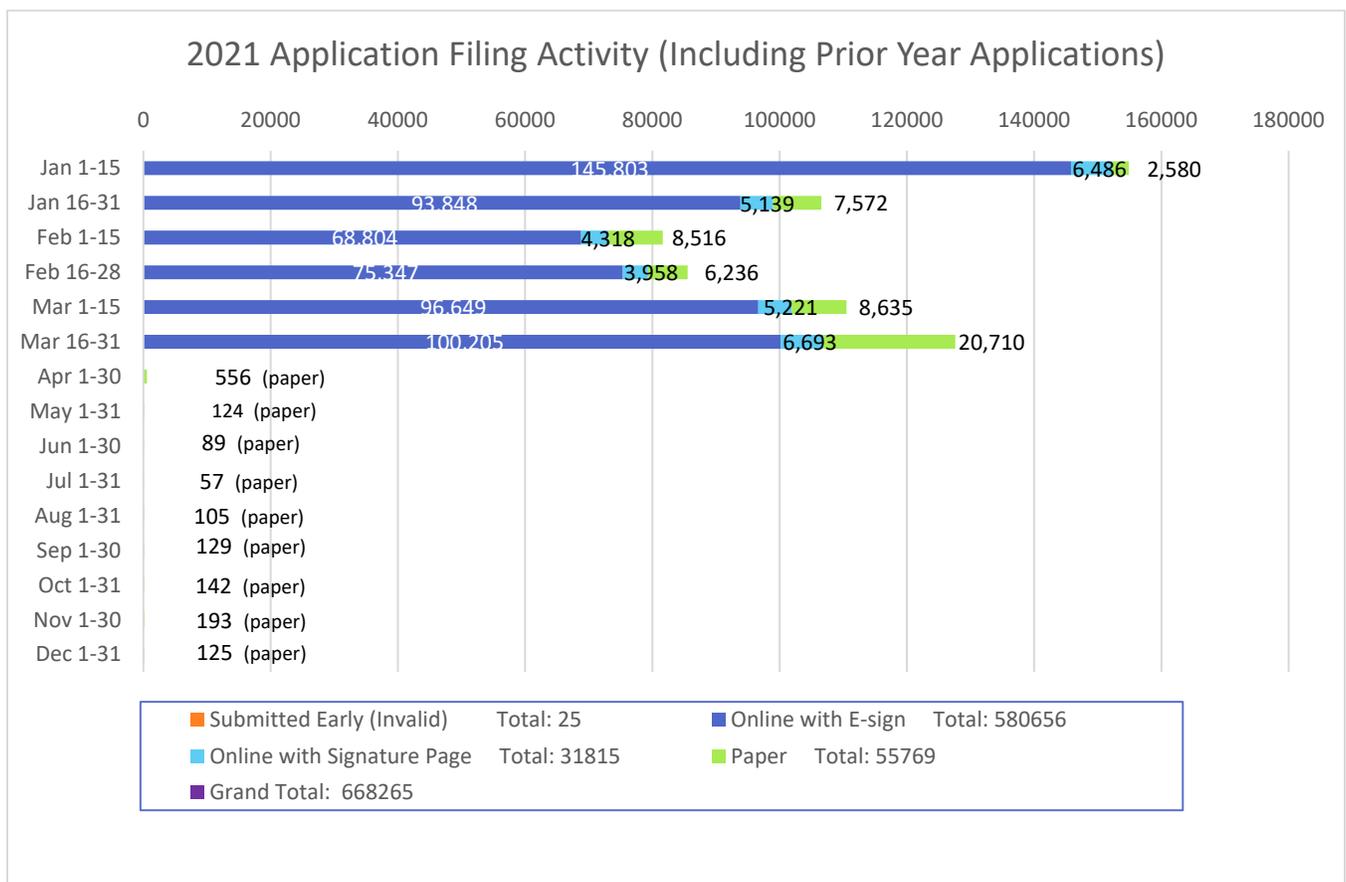
Total Reductions **\$397,934.85**

Total Appropriations and Reductions Detail **\$35,614,834.85**

APPLICANT FILING ACTIVITY

Statutorily, the application filing period annually runs from **January 1st through March 31st**. The table below contains detailed numbers gathered during the 2021 filing period, and overall totals for the remainder of the year. Applying online is only available during the filing period. Paper applications must be received by the Division or postmarked by March 31 to be considered timely.

The total applications received and processed by the Division for 2021 totaled 674,598, but the filing activity shown below excludes applications that were determined invalid as duplicates, the incorrect type for the applicant, or submitted solely to establish sponsor eligibility, as well as applications received before the first acceptable filing date (January 1, 2021). The graph below also includes applications received for Dividend Years other than 2021.



APPLICANT FILING ACTIVITY

REPORTED ABSENCES

Dividend applicants are required to disclose to the Division all absences from the state of Alaska that exceed 90 total days during the qualifying year. The qualifying year for the 2021 Dividend was from Jan. 1, 2020 to Dec. 31, 2020.

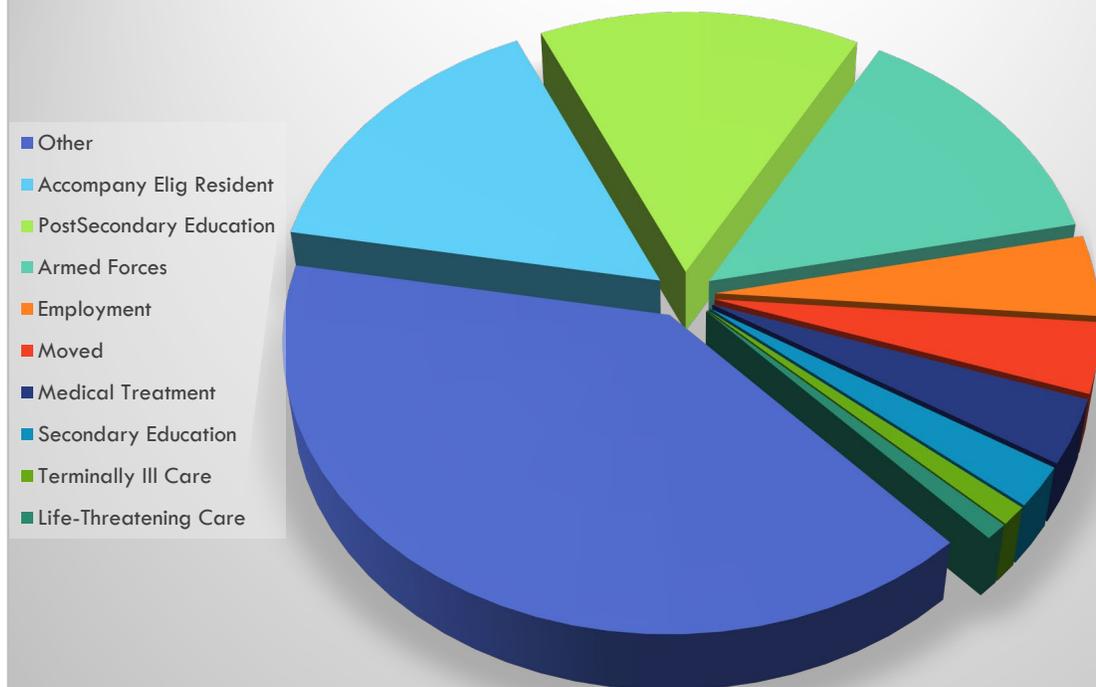
Applicants can claim more than one type of absence, but reported absences cannot overlap each other. Therefore, each day of absence can be reported under only one absence type.

Some absence types apply only to ADULT applicants or to CHILDREN applicants, and some absences can apply to either group.

Top Reasons Why Alaskans Were Absent During the Qualifying Year (2020):

- Other (now includes vacation) -- 11,435 applicants reported
- Accompanying an Eligible Resident -- 4,457
- Post Secondary Education (Full-time college) -- 4,268
- Armed Forces -- 3,934
- Employment -- 1,300

Top 10 Applicant Reported Absences in 2021



Reported absences shown are for 2021 Dividend applications only (absences that occurred during the 2020 calendar year).

APPLICANT FILING ACTIVITY

Absence Reason	Applicants Answering Between 91—180 total days absent			Applicants Answering Over 180 total days absent			Grand Total
	91-180		91-180 Total	>180		>180 Total	
	ADULT	CHILD		ADULT	CHILD		
Accompanied an Alaska resident who was eligible for a PFD	376	619	995	1,146	2,316	3,462	4,457
U.S. Armed Forces active duty	960	--	960	2,974	--	2,974	3,934
Served as a member of Alaska's Congressional delegation or staff	6	--	6	22	--	22	28
Sought Employment outside of the state	858	--	858	442	--	442	1,300
Absent as part of a Legal Custody agreement	--	105	105	--	46	46	151
Cared for a direct relative with a critical life-threatening illness	165	15	180	78	2	80	260
Received continuous Medical Treatment	631	53	684	303	53	356	1,040
Served aboard a Merchant Marine Vessel	29	--	29	23	--	23	52
No reason specified	24	12	36	45	13	58	94
Trained or competed as a U.S. Olympic Team member	5	0	5	1	0	1	6
Other, including business & vacation	7,071	678	7,749	3,113	573	3,686	11,435
Served as a federal Peace Corps volunteer	11	--	11	2	--	2	13
Enrolled as a full-time student (Postsecondary Education)	2,071	15	2,086	2,178	4	2,182	4,268
Enrolled as a full-time student (grades 7-12)	349	49	398	233	30	263	661
Settled the Estate of a deceased relative	113	0	113	46	--	46	159
Employed by the State of Alaska	16	0	16	4	--	4	20
Student Fellowship sponsored by the U.S. Dept. of Education	33	--	33	7	--	7	40
Cared for a terminally ill family member	176	11	187	116	3	119	306
Unknown Absence	0	0	0	1	0	1	1

APPLICANT FILING ACTIVITY

APPLICATION TYPES AND COUNTS

The Division classifies applications by type for ease of distribution and updating of forms.

Note:

- Total applications shown below include applications for dividends prior to 2021.
- Eligible Prior Year Applications for 18-year-old filers: Under regulation 15 AAC 23.133, an individual who has reached majority or who is an emancipated minor, may apply for a prior year dividend. An individual who qualifies must meet all eligibility requirements for the respective prior year(s) and must file before the individual reaches 20 years of age. See Alaska Statute 43.23.055(3).

Dividend Filing Activity			
Application Type and Amount			
Adult Applications	Amount	Child Applications	Amount
Adult Online	444,872	Child Online	158,247
Adult Paper	45,301	Child Paper	8,654
Adult Refile (After filing deadline)	171	Child Refile (After filing deadline)	34
Application on Behalf of Another Adult (online and paper)	4,679	Child in Custody of Health and Social Services	3,335
Disabled Individual	205	Estate of Deceased Child	11
Estate of Deceased Adult	806	Child Application filed by Tribal Court	88
Office of Public Advocacy	1,641		
Total Valid Adult Applications			497,675
Total Valid Child Applications			170,369
Prior Year 18-Year-Old Filers (any dividend year)			10
All other Prior-year Dividend Applications			449
Total Valid Applications (any dividend year)			668,503
Invalid, Duplicate, Withdrawn, or Applications Submitted Solely to Establish Sponsor Eligibility			6,095
Total Applications received during 2021			674,598

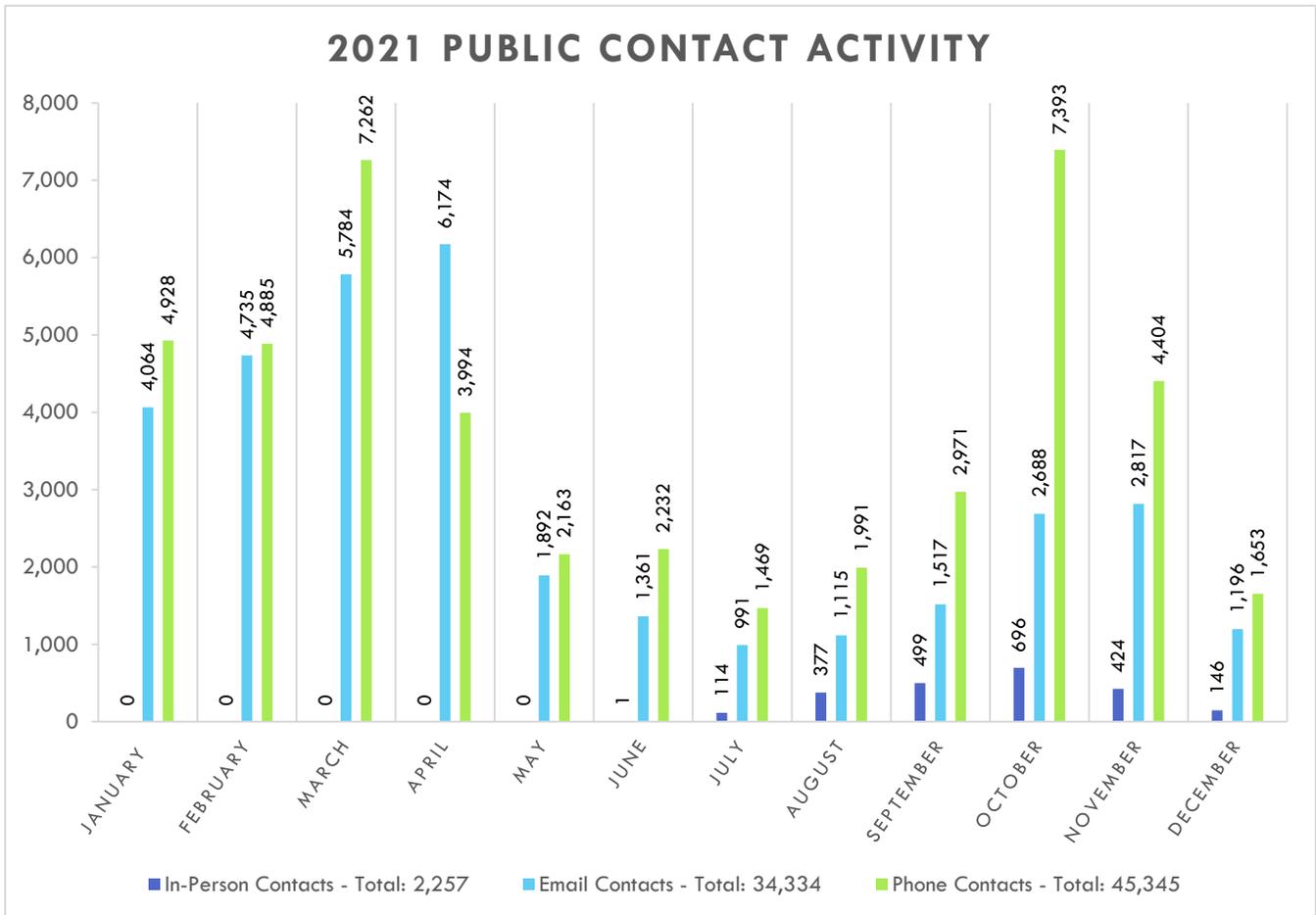
DIVISION PROCESSING ACTIVITY

Division Processing Activity

PUBLIC CONTACT

The application filing period runs from **January 1st through March 31st** each year, encompassing January through March on the graph below. In 2021, due to the continuation of the COVID-19 pandemic, the Permanent Fund Dividend Division (PFDD) public-facing counters were closed to the public from January through mid-July. The Division then reopened public facing counters in a limited capacity (Mondays, Tuesdays & Fridays).

- In-Person Contact shown here represents walk-in traffic across all three of the Division locations: Juneau, Anchorage, and Fairbanks.
- Phone Contacts are calls received by the Division to the published phone queue numbers. These numbers do not include direct-dialed calls from applicants to Division personnel or vice-versa.
- Email Contacts represented on the graph below are those received by the Division through dor.pfd.info@alaska.gov. Electronic contact directly between individual PFD Technicians and applicants are not represented.



DIVISION PROCESSING ACTIVITY

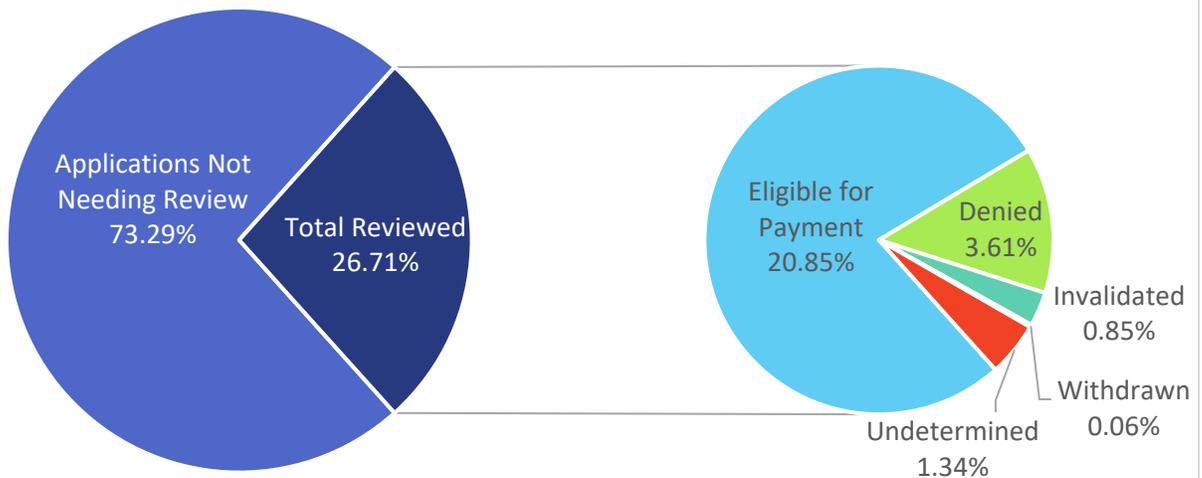
ELIGIBILITY REVIEW

All applications received by the Division are initially processed in the order of receipt. Each application is evaluated for payment eligibility according to the requirements of the Permanent Fund Dividend program, as given in the State of Alaska statutes and PFD regulations.

Eligibility Technicians use the information on current and prior year applications or obtained through contact with the applicant and other designated parties to complete an eligibility determination. Many cases are determined without additional applicant contact.

Typically, all applications that satisfy the eligibility requirements are processed for payment beginning the first Thursday of October each year. Applicants that are still awaiting determination are paid on the third Thursday of each month as they become eligible.

2021 Eligibility Review Determination Breakdown



YEAR	TOTAL APPLICATIONS RECEIVED	MARKED FOR REVIEW	ELIGIBILITY REVIEW RESULT				
			Eligible for Payment	Denied	Invalidated	Withdrawn	Undetermined
2021	674,598	180,176	140,636	24,334	5,710	430	9,060
2020	673,371	187,786	147,407	26,825	5,659	609	7,286
2019	678,738	224,859	180,228	23,177	9,660	693	11,101
2018	670,759	249,576	211,362	28,068	4,986	476	4,684
2017	672,243	252,389	211,668	27,629	4,764	509	7,819

DIVISION PROCESSING ACTIVITY

AUDITS

The Permanent Fund Dividend Division takes steps to identify and minimize fraudulent activity as it pertains to the dividend program in accordance with statutory mandates and the Division’s mission. The following *audits* represent a sampling of applications that have been scrutinized and evaluated in addition to standard eligibility review.

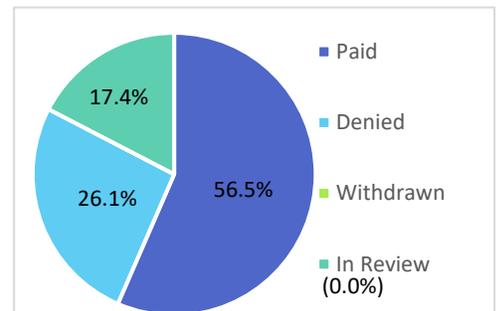
In accordance with state regulations, the Division can deny an application if it reveals that an individual has provided incorrect information, such as failing to disclose a reportable absence to the Division.

2021 dividend funds NOT paid to applicants due to audit identification of ineligibility: **\$587,078.00**

Out-of-State Postmark Audit

The Division contacts applicants for additional information if the application’s postmark indicates there may be an inconsistency in the applicant’s indicated presence, residency, or mailing address in Alaska at the time of filing.

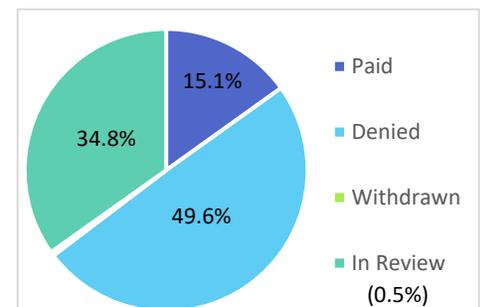
Audit Result	# of Apps	% of this audit	% of total Apps audited	% of total Apps received
Paid	26	56.52%	2.40%	0.004%
Denied	12	26.09%	1.11%	0.002%
Withdrawn	-	0.00%	0.00%	0.000%
In Review	8	17.39%	0.74%	0.001%
Total	46	100.00%	4.25%	0.007%



National Change of Address Audit

The Division contacts applicants for additional information if *NCOA records indicate there may be an inconsistency in the applicant’s indicated presence, residency, or mailing address in Alaska at the time of filing.

Audit Result	# of Apps	% of this audit	% of total Apps audited	% of total Apps received
Paid	157	15.11%	14.47%	0.02%
Denied	515	49.57%	45.47%	0.08%
Withdrawn	5	0.48%	0.46%	0.00%
In Review	362	34.84%	33.36%	0.05%
Total	1,039	100.00%	96.76%	0.15%



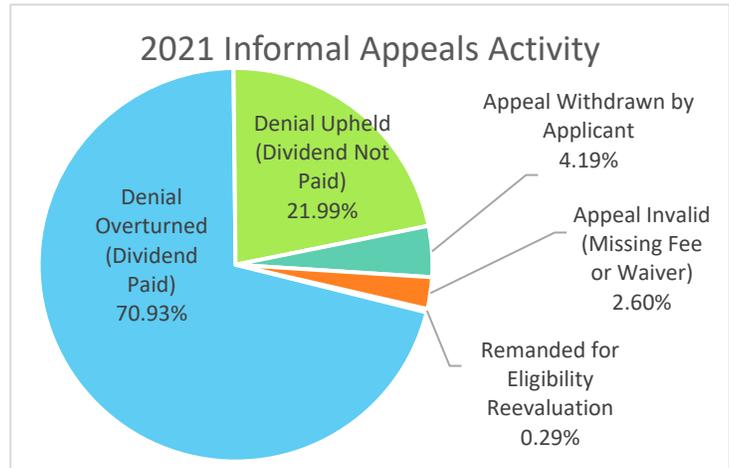
The National Change of Address (NCOA) Audit was created in Dividend Year 2010. The United States Postal Service reports information to the PFD Division on current applicants who have submitted a change of address that does not match the PFD address on file.

DIVISION PROCESSING ACTIVITY

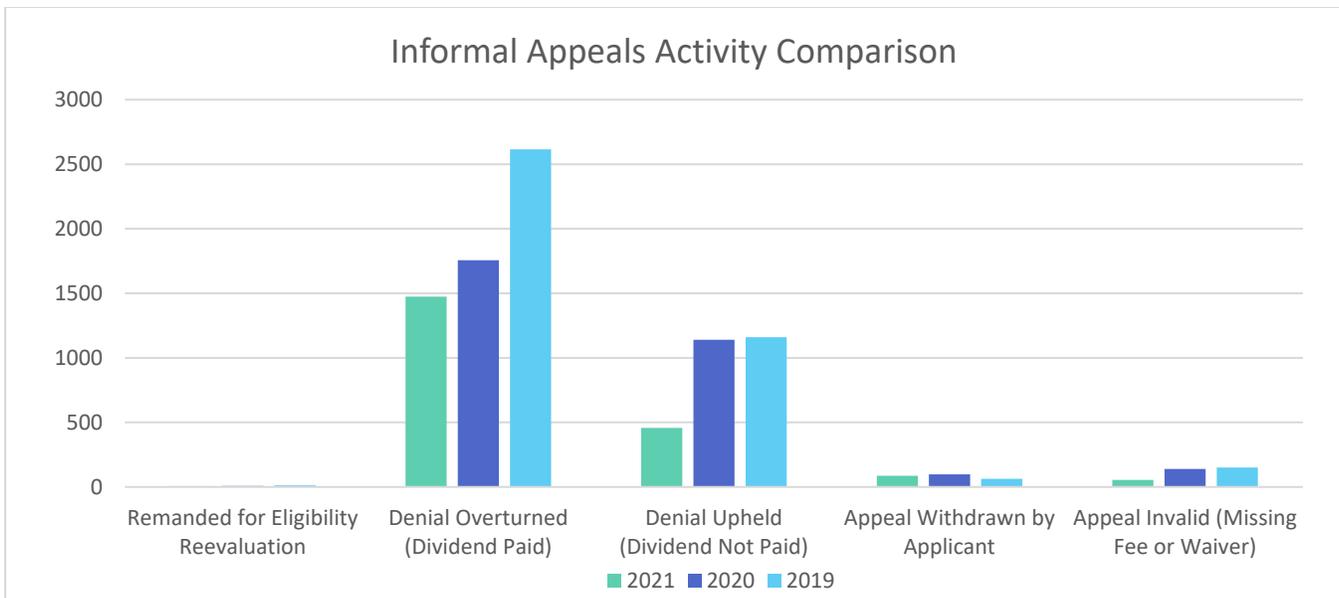
APPEALS

Informal Appeals

An ineligible individual will be issued a denial letter explaining their eligibility determination. Included with all denial letters is an Informal Appeal Form. The individual has 30 days from the date of the denial letter to file a Request for Informal Appeal. The Division may request further supportive documentation that could aid in the determination of an appeal. The applicant must provide a \$25.00 appeal fee or request a waiver of the fee based on the federal poverty guidelines.



Dividend Year	Remanded for Eligibility Reevaluation	Denial Overturned (Dividend Paid)	Denial Upheld (Dividend Not Paid)	Appeal Withdrawn by Applicant	Appeal Invalid (Missing Fee or Waiver)	Total Decisions
2021	6	1,474	457	87	54	2,078
2020	7	1,757	1,140	98	139	3,141
2019	13	2,616	1,160	63	151	4,003



DIVISION PROCESSING ACTIVITY

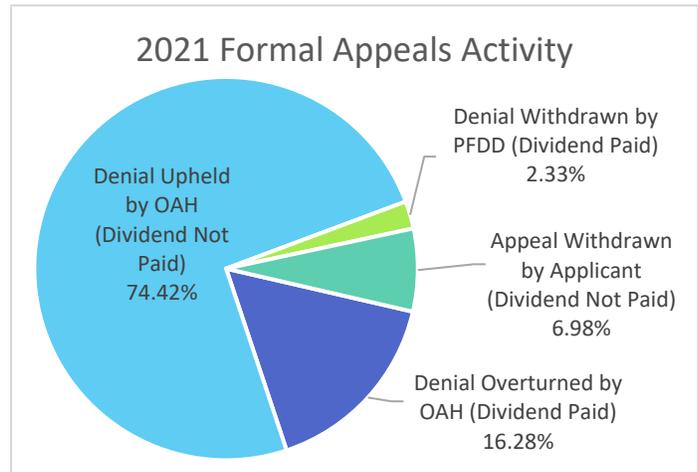
Formal Appeals

Upon receiving a Request for Formal Hearing, the Division Appeals Section reviews the original application with all supporting material.

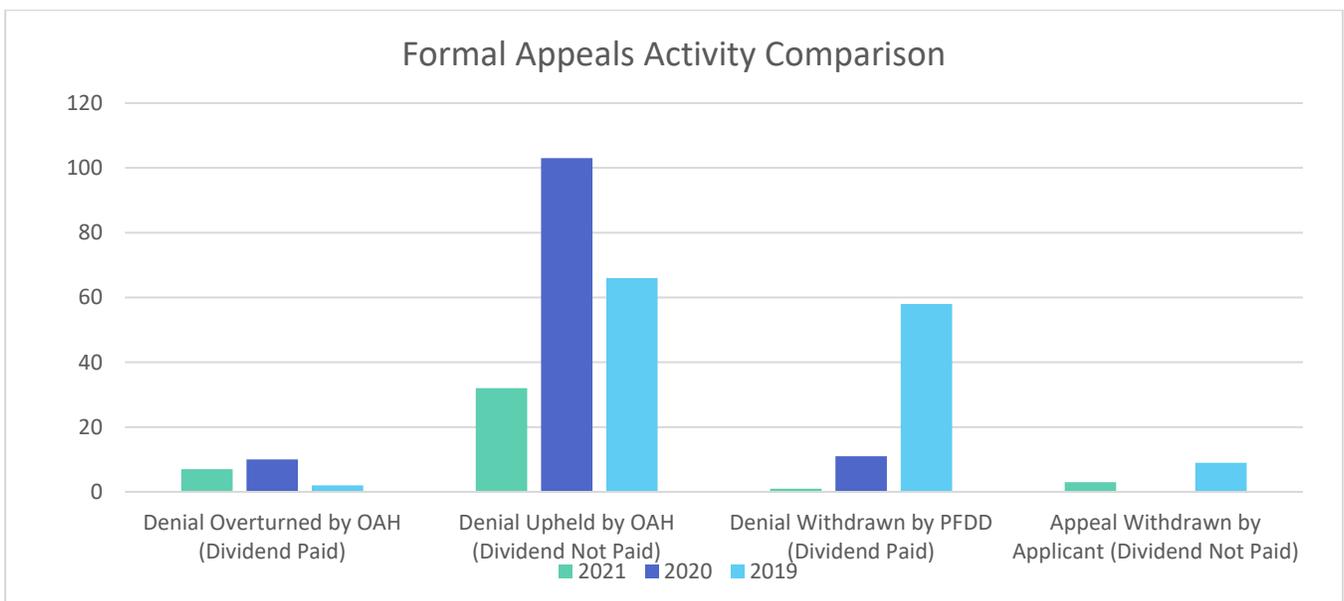
A Division Specialist will prepare the Division’s position and the appeal will be heard by an Administrative Law Judge with the Office of Administrative Hearings (OAH).

There is no additional fee to file the Formal Hearing appeal. However, an Informal Appeal Decision must be issued before an individual can file a Formal Hearing appeal.

If an individual does not concur with the decision made by the Administrative Law Judge, the applicant may file an appeal with the Alaska Superior Court.



Dividend Year	Denial Overturned by OAH (Dividend Paid)	Denial Upheld by OAH (Dividend Not Paid)	Denial Withdrawn by PFDD (Paid)	Appeal Withdrawn by Applicant (Not Paid)	Total Decisions
2021	7	32	1	3	43
2020	10	103	11	0	124
2019	2	66	58	9	135



DIVISION PROCESSING ACTIVITY

GARNISHMENTS AND ASSIGNMENTS

Garnishments

Under state statute, 100% of a dividend may be garnished by a government agency. All other garnishments may only garnish up to 80% of a dividend. Any PFD amount in excess of the total amount garnished is paid to the applicant. There is a priority order for agencies that will receive first option to levy garnishments. Within that priority structure, levies are ordered based on the date and time stamp of submission. It is, in essence, a “first come, first serve” system within the priority order.

Garnishment requests come to the PFDD directly from agencies, such as the court system or process servers.

Top Ten Agency Filers	Submitted	
	Number of Requests	Amount
UNIVERSITY OF ALASKA - Anchorage	2,598	\$3,880,918.73
CLERK OF COURT - ANCHORAGE	27,811	\$360,267,213.62
CITY OF PALMER - PALMER	1,704	\$455,821.37
United States Treasury - Individuals - PHILADELPHIA	4,127	\$155,758,664.28
United States Treasury - Individual Tax - FRESNO	5,392	\$69,559,972.11
MUNICIPALITY OF ANCHORAGE - ANCHORAGE	163,216	\$26,550,599.33
CITY OF FAIRBANKS - FAIRBANKS	1,650	\$395,487.29
CITY OF SOLDOTNA - SOLDOTNA	3,563	\$348,018.00
CITY OF WASILLA - WASILLA	5,371	\$482,343.43
CITY & BOROUGH OF JUNEAU - JUNEAU	9,660	\$1,128,208.34
Total of Top Ten Agencies	225,092	\$618,827,246.50
Total of Other Agencies	666,490	\$168,590,456.69
Total - All Garnishing Agencies	891,582	\$787,417,703.19

Top Ten Agency Filers	Paid		
	Payments	Amount	Average
MUNICIPALITY OF ANCHORAGE - ANCHORAGE	45,644	\$5,101,573.13	\$111.77
CLERK OF COURT - ANCHORAGE	9,095	\$6,830,862.32	\$751.06
CITY OF FAIRBANKS - FAIRBANKS	324	\$75,942.09	\$234.39
CHILD SUPPORT SERVICES DIVISION - ANCHORAGE	8,444	\$7,627,984.56	\$903.36
CITY & BOROUGH OF JUNEAU - JUNEAU	1,625	\$160,428.99	\$98.73
United States Treasury - Individual Tax - FRESNO	4,256	\$3,943,203.79	\$926.50
CITY OF WASILLA - WASILLA	1,754	\$153,918.61	\$87.75
United States Treasury - Individuals - PHILADELPHIA	3,517	\$3,604,963.04	\$1,025.01
UNIVERSITY OF ALASKA - Anchorage	2,004	\$1,361,140.56	\$679.21
IRS BACKUP WITHHOLDING - ANCHORAGE	1,075	\$287,412.00	\$267.36
Total of Top Ten Agencies	77,738	\$29,147,429.09	
Total of Other Agencies	360,166	\$18,637,309.63	
Total - All Garnishing Agencies	437,904	\$47,784,738.72	

DIVISION PROCESSING ACTIVITY

Assignments

State statutes permit applicants to assign their dividend to a government agency or regional housing authority created under Alaska Statute 18.55.996. Any amount in excess of the liability due to the assigned agency is paid to the applicant.

Assignments tend to be submitted on a “voluntary” basis where an individual wishes to utilize their upcoming PFD for a payment to a federal, state, municipal governmental agency, or to a court. Many of these assignments end up going towards housing payments for federal housing programs. Because these are assigned prior to the PFD calculation, it is the agency’s responsibility to either set an amount that they will accept for the upcoming PFD, or to have individuals assign percentages of their PFD. Individuals may assign up to 100% of their expected PFD, per AS 43.23.069(b).

Top Ten Assignees	Submitted	
	Number of Requests	Amount
BERING STRAITS REGIONAL HOUSING - NOME	39	\$5,968.68
CITY OF DILLINGHAM - DILLINGHAM	37	\$8,695.00
TLINGIT-HAIDA REGIONAL - JUNEAU	33	\$14,000.00
AVCP HOUSING AUTHORITY - BETHEL	30	\$4,000.00
DEPARTMENT OF H&SS, PUBLIC ASSISTANCE - JUNEAU	30	\$0.00
CITY OF KODIAK - KODIAK	23	\$9,050.00
DEPARTMENT OF COMMERCE, DIVISION OF INVESTMENTS - JUNEAU	12	\$0.00
CITY OF WASILLA - WASILLA	9	\$0.00
CITY OF KLAWOCK - KLAWOCK	8	\$0.00
DEPARTMENT OF LABOR - JUNEAU	4	\$170.00
Total of Top Ten Agencies	225	\$41,883.68
Total of Other Agencies	23	\$26,957.95
Total - All Garnishing Agencies	248	\$68,841.63

Top Ten Assignees	Paid		
	Payments	Amount	Average
BERING STRAITS REGIONAL HOUSING - NOME	35	\$24,610.57	\$703.16
CITY OF DILLINGHAM - DILLINGHAM	19	\$4,079.18	\$214.69
TLINGIT-HAIDA REGIONAL - JUNEAU	25	\$15,474.00	\$618.96
DEPARTMENT OF H&SS, PUBLIC ASSISTANCE - JUNEAU	13	\$14,034.00	\$1,079.54
AVCP HOUSING AUTHORITY - BETHEL	29	\$26,215.70	\$903.99
CITY OF KODIAK - KODIAK	10	\$1,950.00	\$195.00
DEPARTMENT OF COMMERCE, DIVISION OF INVESTMENTS - JUNEAU	11	\$11,902.00	\$1,082.00
CITY OF KLAWOCK - KLAWOCK	6	\$5,200.00	\$866.67
ALEUTIAN HOUSING AUTHORITY - ANCHORAGE	4	\$3,324.00	\$831.00
DEPARTMENT OF LABOR - JUNEAU	4	\$2,951.00	\$737.75
Total of Top Ten Agencies	156	\$109,740.45	
Total of Other Agencies	15	\$14,771.21	
Total - All Garnishing Agencies	171	\$124,511.66	

DIVISION PROCESSING ACTIVITY

PAYMENTS

The first mass dividend payment disbursement for a typical dividend year begins on the first Thursday in October and continues on a monthly cycle thereafter. Applicants who selected the payment method of direct deposit or electronic payment have their dividends initially sent to financial institutions for deposit into checking or savings accounts. Deposit returns from financial institutions are paid via warrant in subsequent payment runs. Warrants, more commonly known as checks, are mailed to all applicants that did not select direct deposit.

If the garnished or assigned amount is less than the dividend amount, the remaining balance will be issued to the applicant by check or direct deposit, depending on their preference.

Note:

- Payment numbers below reflect payments made through December 31, 2021, and only on 2021 Dividends. (See the following page for payments of prior-year dividends)
- The total amounts shown below include funds distributed to applicants, or to agencies through garnishments, assignments, and charitable contributions.

Payments of 2021 Dividends through Dec. 31, 2021

	Applicants	Payment Method Percent	Total Amount
Applicants Paid by Direct Deposit			
Full Dividend Payment to Applicant	495,690	79.38%	\$552,198,660.00
Payment to Applicant after Voluntary and/or Involuntary Deductions	65,889	10.55%	\$54,259,223.00
Total Number of Applicants Paid by Direct Deposit	561,579	89.93%	\$606,457,883.00
Applicants Paid by Check			
Full Dividend Payment to Applicant	39,494	6.32%	\$43,996,316.00
Partial Payment to Applicant – Voluntary/Involuntary Deductions	5,611	0.90%	\$3,639,665.00
Total Number of Applicants Paid by Check	45,105	7.22%	\$47,635,981.00
Applicants Paid by Combination of Direct Deposit and Check			
Mixed payments, with and without deductions	11,383	1.82%	\$1,097,637.00
Total 2021 Dividends to Applicants (all categories above)	618,067	98.97%	\$655,191,501.00
Eligible Dividends Fully Reduced by Garnishments and/or Levies (Involuntary Deductions)	6,413	1.03%	\$7,144,082.00
Total 2021 Dividend Paid (Including Adjustments)	624,480	100.00%	\$662,335,583.00

DIVISION PROCESSING ACTIVITY

Applications Paid in 2021 for Prior Year Dividends

Prior year dividends may have been issued during 2021 for any of the following reasons:

- Applications for the 2020 and previous year's dividends that were still in review or appeal at the end of calendar year 2020.
- Eligible Prior Year Applications for 18-year-old filers. Under regulation 15 AAC 23.133, an individual who has reached majority or who is an emancipated minor may apply for a prior year dividend. An individual who qualifies must meet all eligibility requirements for the respective prior year(s) and must file before the individual reaches 20 years of age. See Alaska Statute 43.23.055(3).
- Estate Applications and Applications for Disabled Adults. (These application types have an extended filing date of up to one year later than the filing deadline for the respective dividend year.)

Dividend Year	Dividends Paid	Dividend Amount	Total
2020	4191	\$ 992.00	\$ 4,157,472.00
2019	345	\$1,606.00	\$ 554,070.00
2018	301	\$1,600.00	\$ 481,600.00
2017	64	\$1,100.00	\$ 70,400.00
2016	40	\$1,022.00	\$ 40,880.00
2015	28	\$2,072.00	\$ 58,016.00
2014	22	\$1,884.00	\$ 41,448.00
2013	21	\$ 900.00	\$ 18,900.00
2012	17	\$ 878.00	\$ 14,926.00
2011	10	\$1,174.00	\$ 11,740.00
2010	11	\$1,281.00	\$ 14,091.00
2009	9	\$1,305.00	\$ 11,745.00
*2008	15	\$2,069.00	\$ 31,035.00
2007	17	\$1,654.00	\$ 28,118.00
2006	10	\$1,106.96	\$ 11,069.60
2005	8	\$ 845.76	\$ 6,766.08
2004	7	\$ 919.84	\$ 6,438.88
2003	11	\$1,107.56	\$ 12,183.16
2002	1	\$1,540.76	\$ 1,540.76
2001	2	\$1,850.28	\$ 3,700.56
2000	1	\$1,963.86	\$ 1,963.86
1999	0	\$1,769.84	\$ -
1998	1	\$1,540.88	\$ 1,540.88
Total	5,132	--	\$ 5,579,644.78

* Not including the one-time 2008 Resource Rebate of \$1,200.00

DIVISION PROCESSING ACTIVITY

Three Year Comparison of Application and Payment Status

Numbers shown here are historically reported as of December 31st of each respective year.

Dividend Year	2021		2020		2019	
<u>Filing Activity</u>	Total	Percent Total	Total	Percent Total	Total	Percent Total
Applicants						
Adult	497,675	74.50%	494,754	74.24%	494,458	74.08%
Child	170,379	25.50%	171,634	25.76%	173,026	25.92%
Total	668,054	100.00%	666,388	100.00%	667,484	100.00%
Application Status						
Eligible for Payment	634,703	95.04%	632,350	94.90%	633,243	94.91%
Denied and not in appeal	24,527	3.67%	26,366	3.96%	23,152	3.47%
Denied and in appeal	501	0.08%	559	0.08%	1,152	0.17%
In Review	8,092	1.21%	7,071	1.06%	9,626	1.44%
Total	667,823	100.00%	666,346	100.00%	667,173	100.00%

Note: Applications marked as "Fully Reduced" below included one or more of the following: donations, assignments, and/or garnishments.

Dividend Year	2021		2020		2019	
<u>Payment Status</u>	Total	Percent Total	Total	Percent Total	Total	Percent Total
Paid by Direct Deposit	561,580	84.06%	558,944	83.88%	550,243	82.44%
Paid by Warrant	45,105	6.75%	54,002	8.10%	64,219	9.62%
Paid by Multiple Methods	11,383	1.70%	10,508	1.58%	10,972	1.64%
Fully Reduced	6,413	0.96%	7,519	1.13%	6,118	0.92%
Not Paid (as of Dec. 31)	43,581	6.52%	35,415	5.31%	35,931	5.38%
Total	668,062	100.00%	666,388	100.00%	667,483	100.00%

DIVISION PROCESSING ACTIVITY

CRIMINAL INVESTIGATIONS

Reports of suspected or potential fraud against the Permanent Fund Dividend program are all reviewed as they are received by the Department of Revenue's Criminal Investigations Unit (CIU). An investigation is opened when initial information, such as a fraud tip, is supported by additional information available from another source. This standard helps to ensure that erroneous information does not result in withholding of dividends from eligible applicants. There are many factors considered in determining whether investigations are ultimately resolved internally by the PFD Division ("Administrative" cases) or submitted for prosecution ("Criminal" cases). The CIU unit does *not* evaluate PFD program eligibility.

A given case may encompass or pertain to more than one PFD Application. For example, if the application of an Adult Sponsor is being investigated, his or her sponsored Child Applications may be included as part of the case. Both metrics are reported here.

CIU-PFD Activity Related to Active Investigations & Monitoring	2021	2020	2019	2018
Carry Over from Previous Year	47	210	275	607
# of Criminal Cases > 12 Months Old	0	8	157	
Fraud Tips Received	306	640	513	739
Total Caseload	25	50		
Resolution Status (Administrative)				
Not yet screened	0	0	0	0
No Fraud Found-cleared	217	480	459	356
Fraud Found-Remanded	142	210	58	130
Fraud Found-To OSP	11	5	15	19
Resolution Status (Criminal)				
Non-criminal Settlement at OSP	0	3	0	1
Acquittals	0	0	0	0
Convictions	3	2	15	13
Recovery				
Criminal Restitution Ordered	\$34,346.00	\$15,907.00	\$84,332.00	\$71,832.00
Criminal Settlements Received	\$33,208.03	\$33,658.00	\$34,972.00	\$9,386.00
Loss Due to Statute of Limitations	\$0.00	\$0.00	\$0.00	\$0.00
Pending Resolution				
Admin Recovery	\$460,258.00	\$841,850.00	\$209,292.00	\$660,130.12
Criminal Recovery	\$229,393.00	\$263,739.00	\$84,332.00	\$71,832.00

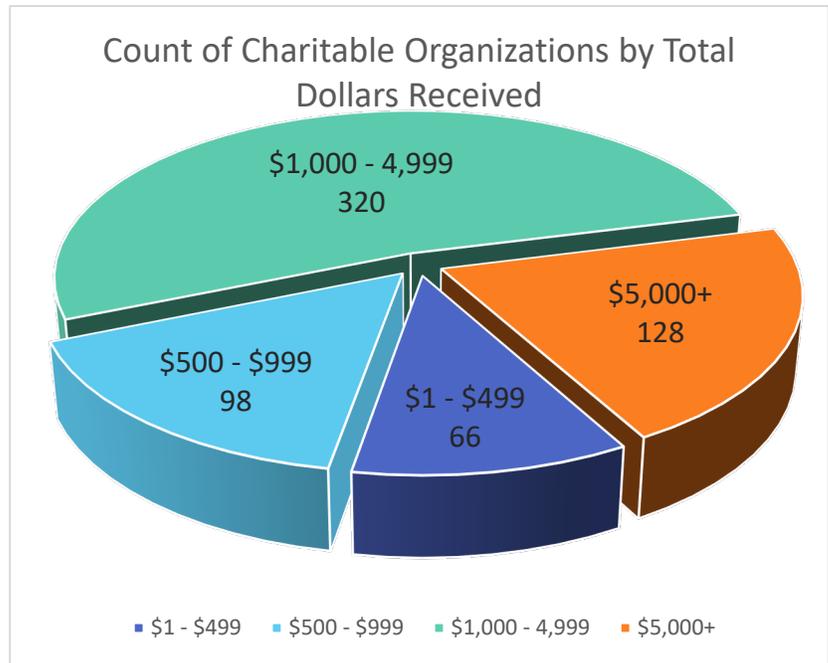
VOLUNTARY PROGRAMS

Voluntary Programs

PICK.CLICK.GIVE.

In 2009, the PFDD implemented a three-year charitable giving pilot program, Pick.Click.Give., authorized by the Alaska Legislature per statute AS 43.23.062. In 2012, it became a permanent addition to the PFD online application process.

Initially funded by the Rasmuson Foundation and managed by Alaska Community Foundation, this program allows an applicant to electronically pledge all or a portion of their dividend to eligible Alaskan nonprofit organizations. “The program goal is to increase individual charitable giving overall, along with increasing the number of new donors to nonprofit organizations.” Additional information regarding the program can be found at www.pickclickgive.org.



Applicants are allowed to add or withdraw pledges until August 31st of each year. Pledge amounts may be reduced by other garnishments or assignments, as those take priority. An ineligible applicant pledge would not be paid. Hence, the actual contributed amount is generally lower than the amounts pledged during the application period.

Amount pledged vs amount paid	
Total Dollars Pledged By Applicants	\$3,237,075.00
Pledges Withdrawn	(\$201,650.00)
Net Total Dollars Pledged	\$3,035,425.00
Total Dollars Paid to Organizations	\$2,826,405.11

Charitable Contributions Appeals

Alaska Community Foundation, which acts as the Department of Revenue’s “agent”, determines if an organization is eligible or ineligible to be included in the charitable contribution list. If the organization is ineligible to be included in the charitable contribution list for the following year’s Permanent Fund Dividend electronic application, the organization is issued a denial letter explaining the reasons they are not eligible. The organization has 15 days from the date of the denial letter to file an appeal explaining and supporting their position. PFD Division Appeals Specialists prepare the case for a formal hearing and the case is heard by an Administrative Law Judge with the Office of Administrative Hearings (OAH). Alaska Community Foundation does not participate in the appeal process. Alaska Community Foundation only determines initial eligibility according to state law as the Department of Revenue’s agent. There is no fee to file an appeal for inclusion in the PFD Charitable Contribution list on the PFD Electronic Application.

VOLUNTARY PROGRAMS

UNIVERSITY OF ALASKA'S "ALASKA 529 PLAN"

****Formerly known as UA College Savings Program****

In 1990, legislation passed that established the Alaska Education Trust Fund (AS 14.40.807) which authorized an applicant to contribute fifty percent of their dividend to the fund for education. In 1991, the name of the fund was changed to the Advance College Tuition (ACT) Payment Fund. The ACT option first appeared on the 1991 dividend applications.

In the fall of 2001, the University of Alaska developed the UA College Savings Plan program as the main program for which contributions can be made toward advanced college tuition costs. The UA College Savings Plan, now known as the Alaska 529 Plan, provides various investment strategies to individuals making contributions. Additional information regarding the plan can be found at

<https://www.alaska529plan.com/>.

YEAR	APPLICANTS	TOTAL CONTRIBUTIONS
2021	14,203	\$7,872,303.17
2020	13,639	\$6,730,599.17
2019	12,605	\$10,087,251.68
2018	13,820	\$11,009,586.28
2017	13,647	\$7,473,899.38
2016	13,573	\$6,905,860.93
2015	13,593	\$14,015,930.73
2014	12,998	\$12,174,958.02
2013	12,173	\$5,442,392.99
2012	11,214	\$4,892,579.86
2011	9,642	\$5,611,270.33
2010	9,032	\$5,748,649.82
2009	7,910	\$5,012,962.90
2008	8,766	\$9,050,096.40
2007	8,495	\$6,991,936.59
2006	7,847	\$4,322,765.60
2005	7,482	\$3,150,343.08
2004	6,601	\$3,020,373.59
2003	5,667	\$3,121,888.81
2002	5,094	\$3,901,412.29
2001	4,464	\$4,107,056.79
2000	3,766	\$3,681,902.17
1999	3,663	\$3,225,384.06
1998	3,468	\$2,655,048.28
1997	4,426	\$2,861,877.87
1996	4,945	\$2,790,779.51
1995	5,405	\$2,670,684.24
1994	5,905	\$2,897,904.88
1993	5,925	\$2,806,199.41
1992	5,490	\$2,507,537.40
1991	5,018	\$2,329,943.62
Total	246,273	\$161,199,076.68

VOLUNTARY PROGRAMS

DIVIDEND EDUCATION RAFFLE

In 2018, legislation passed that established the Dividend Raffle Fund (AS 43.23.230), making 2019 the first year adult applicants could pledge a portion or all of their PFD, in increments of \$100, towards the dividend raffle fund. Each \$100 pledge provides the applicant with an entry into the Dividend Raffle. Multiple pledges provides applicants with multiple opportunities to win. Applicants are only able to make pledges while completing their online PFD application. Pledges cannot be added or removed after the individual filing process is complete, and applicants must be at least 18 years or older to participate. The number of pledges that an individual chooses on their application may be reduced by other garnishments or assignments that take priority, and an ineligible applicant pledge would not be paid. Because of this, the actual contributed amount is generally lower than the amounts pledged during the application period. Of the total pledge funds actually contributed in a year, the legislature will appropriate 50% of these funds to the Department of Education and Early Development (DEED) for distribution as supplemental grants to school districts, 25% to the education endowment fund, established in AS 43.23.220, and the remaining 25% to the dividend raffle fund to be used to pay 4 winners of the dividend raffle and to help bolster the dividend raffle fund for subsequent years.

Third Annual PFD Education Raffle January 26, 2022

Cost of Entry	\$100.00 each	
# of Entries	8,834	
Total Proceeds (2021)	\$883,400.00	
Allocation for Supplemental Grants	\$441,700.00	50%
Allocation for Education Endowment Fund	\$220,850.00	25%
Allocation for Dividend Raffle Fund	\$220,850.00	25%
Fund Balance from prior year	\$357,933.86	
Interest Earned	\$(1,287.42)	
Total Balance for Drawing	\$577,496.44	
First Prize	\$46,199.72	8%
Second Prize	\$23,099.86	4%
Third Prize	\$11,549.93	2%
<u>Fourth Prize</u>	<u>\$ 5,774.96</u>	<u>1%</u>
Total Prizes	\$86,624.47	
Administrative Expenses	\$(11,549.93)	
Carryover for 2022 Raffle Fund	\$479,322.04	

PERMANENT FUND DIVIDEND DIVISION HISTORY

Permanent Fund Dividend Division History

OPERATIONS ANNUAL CYCLE

The Permanent Fund Dividend Division's (PFDD) yearly cycle starts January 1 when the application period opens. Alaskans may submit an electronic or paper application for a Permanent Fund Dividend during the filing period, January 1 to March 31. Typically, the busiest times of the filing period are the month of January and the last two weeks of March, as the PFD filing period is wrapping up.

Applications received electronically are uploaded and electronically assessed. Applications, supporting documentation and signature pages received on paper are scanned and keyed into the Dividend Application Information System (DAIS) and then electronically processed.

The process of determining eligibility begins as soon as applications are received by the Division. Applications flagged for further review by DAIS are assigned to eligibility technicians for evaluation primarily in one or more of the following areas: establishing Alaska residency, breaking Alaska residency, absences from Alaska, and/or having the intent to remain in or return to Alaska. Guided by State of Alaska Statutes and PFD Regulations, Eligibility Technicians use current or prior year applicant information when needed and contact the applicant for additional information in order to make an eligibility determination. Many cases can be resolved without contacting the applicant. The current goal of the PFDD is to complete most eligibility determinations by the first Thursday in October, which is typically the first payment of the new dividend year.

The 2021 annual cycle presented the Division with some unique challenges. Because of the ongoing pandemic, the Division's public facing counters remained closed to the public from January through mid-July. Drop boxes were made available at each office location for Alaskans to provide documentation. The Division also struggled with staffing shortages throughout the 2021 annual cycle and on more than one occasion operated above a 25% vacancy rate. The closed public facing counters coupled with the ongoing staffing shortages led the Division to carry over more than 26,000 undetermined applications into the 2022 filing season. This is the highest application carry over in Division history.

As of March 1st, 2017, the PFD application serves as a voter registration for the State of Alaska (per Statute). Every individual who submits a completed PFD application that also meets the criteria of the Division of Elections (DoE) for an eligible voter, will be registered. DoE will send out an "opt out" notice that requires an individual to fill out and return to their division within 30 days of receipt in order to NOT be registered.

In July, the PFD Division's data processing and payment teams confirm applicant supplied direct deposit information through our approved financial institutions in a process called the *pre-note*. This process allows the division to verify account information accuracy and successfully process the highest percentage of requested direct deposits.

Mid-September through the end of October is usually considered payment season for the Division and is a busy time for public contact. During this time, most of our eligibility technicians are assigned to payment support via phone, in-person, or email.

During late November and early December, the Division focuses on finishing the remaining work of eligibility determinations, as well as preparations for the next filing season and training. It is typically during this time that the Division often sees a rise in appeals for denied applications. Applicants that disagree with an eligibility determination have 30 days from the denial decision date to file an appeal. Appeals are worked on a first come, first served basis.

PERMANENT FUND DIVIDEND DIVISION HISTORY

Throughout the year the Department of Revenue's Criminal Investigation Unit investigates hundreds of applications for potential PFD fraud based on tips from the public and information received from federal, state, and municipal agencies. Additionally, the Division conducts focused audits and investigates information that is obtained through the Division's internal processes, including anomalies noted in processing applications.

FIVE YEAR DIVIDEND CALCULATION

The dividend amount is calculated annually. The amount of the dividend is calculated by multiplying the amount available for distribution, as determined by the Legislature (for 2021 this amount was \$1,114 per person) by the estimated number of individuals that will become eligible for the PFD. 2021's dividend amount calculation was not based on the statutory formula under Alaska Statute 43.23.025. This amount is transferred from the Alaska Permanent Fund Corporation (APFC) earnings account to the Dividend Fund.

Notes:

- The 2017, 2018, 2019, 2020, and 2021 Permanent Fund Dividends did not utilize the Statutory Net Income formula.
- Dividend amounts are rounded to an even amount to result in an even half-amount for applicants who designate fifty percent of their dividend be contributed to the AK529 program (formerly College UA) (AS 14.40.807).

Dividend Calculation

Dividend Year	2021	2020	2019	2018	2017
PFD Fund Balance as of Calculation Date	\$9,928,095.19	\$(2,615,373.97)	\$(250,000.00)	\$41,554,298.20	\$17,552,937.57
Add Permanent Fund Earnings (5-year average)	\$739,038,500.00	\$680,000,000.00	\$1,061,565,174.87	\$1,020,510,000.00	\$725,950,000.00
Less Expenditures to-date	\$2,955,705.73	\$(1,700,000.00)			
Appropriations (see below)	\$(35,216,900.00)	\$(40,047,300.00)	\$(47,191,700.00)	\$(38,619,600.00)	\$(38,557,000.00)
Reductions (see below)	\$(397,934.85)	\$(878,335.33)	\$(735,047.59)	\$(647,947.27)	\$(673,377.31)
Total Appropriations and Reductions	\$(35,614,834.85)	\$(40,925,635.33)	\$(47,926,747.59)	\$(39,267,547.27)	\$(39,230,377.31)
Total Amount Available for Dividends	\$716,307,466.07	\$634,758,990.70	\$1,013,388,427.28	\$1,022,796,750.93	\$704,272,560.26
Estimated Eligible Applicants	643,004	639,877	631,001	639,247	640,245
Dividend Amount	\$1,114.00	\$992.00	\$1,606.00	\$1,600.00	\$1,100.00

PERMANENT FUND DIVIDEND DIVISION HISTORY

Appropriations and Reductions Detail

Appropriations	2021	2020	2019	2018	2017
Department of Health and Social Services	\$17,724,700.00	\$17,724,700.00	\$17,939,700.00	\$17,724,700.00	\$17,724,700.00
(Hold-harmless provision for public assistance programs)					
Department of Corrections	\$8,339,600.00	\$13,036,000.00	\$18,807,600.00	\$11,493,400.00	\$11,591,000.00
Department of Revenue, PFD Division	\$8,121,800.00	\$7,838,100.00	\$8,329,400.00	\$8,323,000.00	\$8,218,800.00
Department of Administration					
Violent Crimes Compensation Board	\$1,030,800.00	\$1,448,500.00	\$2,115,000.00	\$1,078,500.00	\$1,022,500.00
Total Appropriations	\$35,216,900.00	\$40,047,300.00	\$47,191,700.00	\$38,619,600.00	\$38,557,000.00

Reductions	2021	2020	2019	2018	2017
Reserve for Prior Year Dividend Liabilities	\$162,035.57	\$618,948.33	\$297,051.39	\$223,817.27	\$180,335.59
Reserve for 18-year-old Filers	\$235,899.28	\$213,387.00	\$391,996.20	\$378,130.00	\$447,041.72
Reserve for 2008 Resource Rebate Payments	\$ 0.00	\$46,000.00	\$46,000.00	\$46,000.00	\$46,000.00
Total Reductions	\$397,934.85	\$878,335.33	\$735,047.59	\$647,947.27	\$673,377.31

CONTACT INFORMATION

Contact Information

For general PFD information visit us at: www.pfd.alaska.gov.

You can track your application and requested documents by clicking the following button on our website.

myPFD

You can also request information via email to:

dor.pfd.info@alaska.gov

To report a PFD fraud tip, contact CIU at:

pfdfraud@alaska.gov or call (907) 500-0360

JUNEAU STATE OFFICE BUILDING



Tel (907) 465-2326
11th Floor, State Office Building
PO Box 110462
Juneau, AK 99811

FAIRBANKS CHENA BUILDING



Tel (907) 451-2820
510 2nd Avenue Suite 100
Fairbanks, AK 99701

ANCHORAGE LPPG BUILDING



Tel (907) 269-0370
655 F Street, Suite A
Anchorage, AK 99501

Director
Genevieve Wojtusik
(907) 500-0300
genevieve.wojtusik@alaska.gov

Division Operations
Corey Bigelow
(907) 500-0302
corey.bigelow@alaska.gov

Eligibility
Kimberly Lane
(907) 500-0308
kimberly.lane@alaska.gov

Appeals
Sean Ireland
(907) 500-0307
sean.ireland@alaska.gov

Data Processing
Nathan Weed
(907) 465-4777
nathan.weed@alaska.gov